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what the author conceives to be a line of reasoning which should be followed by those whose duty it is to ascertain the fair present value of a property after an appraisal has been made, and all necessary information has been obtained.

The author places much reliance upon a comparative statement of the rates and net returns of other companies doing substantially the same business in the same state. It is refreshing to find an author who is ready to attach to comparative statements the value they merit. But when they are to be used as an important link in the chain of reasoning in valuation, they may be utterly unreliable. Thus it is evident at the present time that either those electric companies and public plants which have as a maximum charge 3 cents per kilowatt hour are wholly wrong, or else the vast majority of private companies which are essaying to maintain a maximum of 10 cents per kilowatt hour are exacting exorbitant prices. If the latter should be the case at all, it is clear that the average rate charged in any state for substantially identical service for electric current is quite in excess of a fair rate, and that net returns are therefore probably also in excess of a fair return. Such being the case, it would certainly be fallacious to use such comparative rates and returns as a basis for determining fair value, however valuable they may be as a basis on which a given city could reach a judgment that its particular rates are exorbitant.

Undue emphasis, however, should not be placed on this point, as such emphasis would tend to destroy confidence in the book. For the book, as a whole, is much sounder than much of the literature that has appeared in this field. Thus, the author very clearly points out that the reproduction-cost-new theory, which has so many impetuous champions among corporate experts, often results in a value wholly unfair to the public. He is likewise quite convinced, and very properly so, as is evident to those who are acquainted with what corporate experts are essaying to prove before public service commissions, that over-head charges are often exorbitant, and that "nothing has brought greater discredit upon otherwise careful work in appraisals than the arbitrary addition of percentages to represent over-head charges. All who have had experience in making valuations to find the replacement cost of a property know upon what little evidence most claims for the percentages added as over-head charges are based." The author does not believe that unearned increment should accrue to the fair value of all undertakings at all times, and the conclusion he adopts pertaining to unearned increment in land particularly would lead ultimately to the recognition that no unearned increment should accrue to the present fair value of any utility property.

On the whole, the discussions of this book are sound, and are eminently worth the consideration of all interested in public utilities. It is probably the fairest and best considered discussion of valuation that has appeared to date.

CLYDE LYNDON KING.

*University of Pennsylvania.*

HOWE, FREDERIC C. *The Modern City and Its Problems.* Pp. x, 390. Price, \$1.50. New York: Charles Scribner's Sons, 1915.

Dr. Howe's contributions to the study of municipal problems occupy a unique position in the literature on the subject. No writer has contributed so much

toward the development of a fruitful social point of view. The present work is but one of a series of volumes in which the author has developed the new viewpoint in municipal affairs. It is the logical complement to the series of volumes in which *The British City*, *the Beginning of Democracy*, *The City: The Hope of Democracy*, and *European Cities at Work* mark successive steps. In all of these works the author gives a position of secondary importance to questions of administrative organization, and deals primarily with municipal functions and the manner of their performance. Throughout his discussion of municipal activities the author shows the keenest appreciation of the many ways in which the city affects the daily life and welfare of the inhabitants. His deeply-rooted democratic beliefs, combined with his broad democratic sympathies, enable him to portray the possibilities of municipal action when dominated by a spirit of social sympathy.

Although the present work contains chapters on the City and the State, Municipal Home Rule, The City Charter, and The Organization of German and British Municipalities, the most characteristic and valuable chapters of the book are those dealing with Municipal Housing, Recreation, and the Problem of Leisure, and the City as a Social Agency. Although we now have a voluminous literature on most of these subjects, it would be difficult to find any work in which a clearer and more inspiring picture of the possibilities of municipal action is presented.

No better basis for instruction in municipal institutions has been presented than that contained in this work. It combines the merit of accurate presentation of fact with an inspiring picture of the possibilities of social betterment. The effect on the student's mind is not only to arouse an interest in municipal affairs, but to awaken a desire to become an active factor in contributing toward communal welfare.

L. S. ROWE.

*University of Pennsylvania.*

LYNCH, JOHN R. *The Facts of Reconstruction*. Pp. 325. Price, \$1.50. New York: The Neale Publishing Company.

This account of the reconstruction in the southern states is interesting mainly because of the fact that it is written by a negro, and by one who, like Frederick Douglass, won considerable recognition from the white race and was not an inconspicuous actor in events which have materially influenced his people. He was a member of Congress during the heated presidential contest between Tilden and Hayes and presents a new, and for his race, unexpected view of some features of this struggle. He served as temporary chairman of the Republican National Convention of 1884 and later as a federal employee, Fourth Auditor of the United States Treasury.

The work has decided limitations not indicated in its title in that it is pivoted on the reconstruction experience of Lynch's native state, Mississippi, and can scarcely be said to be typical of other states, such as South Carolina or of the entire South. As far as the author's own knowledge of facts there goes, it makes some contribution to the general story which has been more fully and carefully